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MARKET NEWS RESEARCH PROJECT

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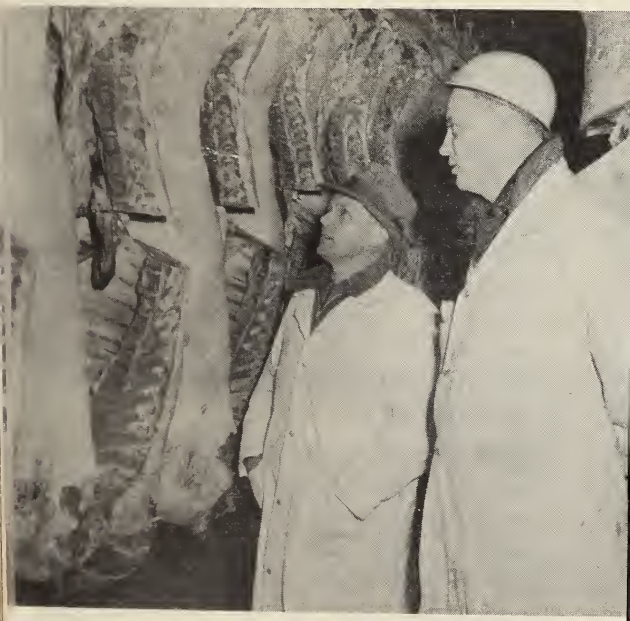
CURRENT SERIAL RECORDS

MIDWEST CARLOT MEAT REPORT



U. S. Department of Agriculture
Agricultural Marketing Service
Livestock Division and
Marketing Economics Research Division
Washington 25, D. C.

AMS-408

Sept. 1960

• MARKET NEWS RESEARCH PI

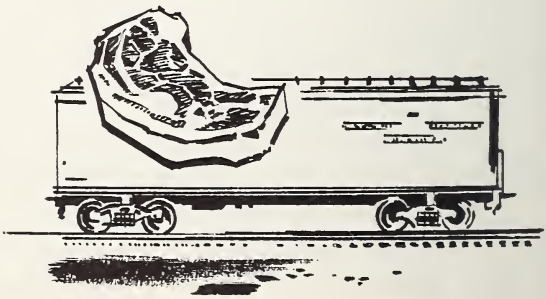
WHY THIS REPORT?

USDA has been reporting market news on wholesale meat trading since the beginning of the Livestock Market News Service in 1917. But, until 1957 meat reporting was confined chiefly to large consuming centers and was based mainly on wholesale prices paid by retail stores, hotels and restaurants for less than carload lots.

The first USDA market news reports covering carlot meat sales were issued in 1957 from New York, Philadelphia, and Chicago. In 1958, similar reports were inaugurated at Denver and Omaha.

These carlot meat reports met with a wide and favorable response, but the coverage still did not fully meet the need for a over-all national wholesale meat trade reporting.

Consequently, in April 1960, USDA undertook a study to determine the feasibility of establishing a midwest carlot meat report. This research study, and the pilot market news report now being issued in conjunction with it, will be continued through June 1961.



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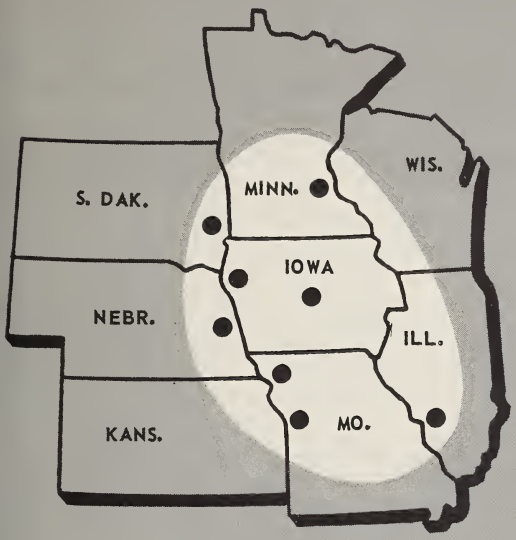
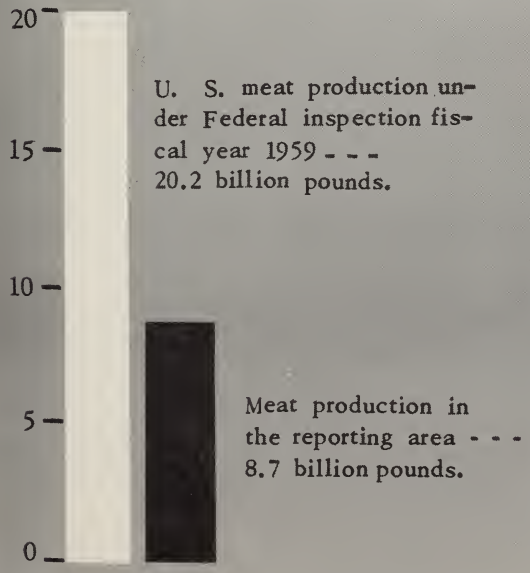


VOLUME OF COVERAGE


20
15
10
5
0
U. S. meat production under Federal inspection fiscal year 1959 - - - 20.2 billion pounds.
Meat production in the reporting area - - - 8.7 billion pounds.

WHAT IT IS

The midwest carlot meat report covers prices received by packers at major slaughtering centers in Omaha, Kansas City, Sioux Falls, Sioux City, St. Paul, St. Joseph, St. Louis, and interior points in Iowa and Southern Minnesota.

In addition to prices on various weights and grades of beef, lamb, and pork, the report gives information on price trends, supplies, demand, and clearance.

Trained market news reporters gather this information at the various slaughtering centers and transmit it, via teletype, to Omaha. There it is consolidated and released twice a week, on Wednesday and Friday, at 10 a. m. CST, to various news media.

HOW DISTRIBUTED

Through:

Radio	Wire news services
Television	Bulletin boards
Newspapers	Telephone
Telegraph	Personal contacts

The report is released to all news outlets and is flashed from coast to coast over 13,000 miles of leased teletype lines that connect most of the USDA market news offices.

The reports are also fed through commercial teletype circuits to members of the trade, producer organizations and others who request and pay for this service.

Marketing information released by Livestock Market News Service is made available free to all news outlets.

TERMS USED IN LIVESTOCK MARKET NEWS REPORTS - AND THEIR MEANING

SUPPLY refers to quantity available for the current day's market, and includes the day's receipts plus any carry-over from previous days. The terms **larger** or **smaller** are used to describe the supply if figures are not available. The consist of the supply is described when significant, giving information as to the class, grade, or weight selections which predominate or are unusually scarce.

DEMAND is the desire to possess a commodity, coupled with the willingness and ability to buy. Demand is referred to as **good** when buyers are seeking supplies more urgently than normal for the particular market concerned, and when an opposite situation prevails, demand is referred to as **poor.**

Good demand is generally present when:
(1) larger supplies are bringing unchanged to higher prices;
(2) large increases in supplies are selling at unchanged prices.

Poor demand is usually present when:
(1) smaller supplies are selling at unchanged or lower prices;
(2) large decreases in supplies are selling at unchanged to slightly higher prices.

TRADING ACTIVITY is the relative pace at which sales are being made.

Trading active means that sales are being made at a more rapid pace than normal for the particular market concerned.

Trading moderately active means that sales are being made at a normal pace for the particular market.

Trading slow means that sales are being made at a slower pace than normal for the particular market.

PRICES used in reports are specific dollars and cents per hundredweight paid for a given grade and weight selection.

PRICE TREND refers to the direction prices are moving in relation to prices paid in the previous trading session. Trend is described as:

Higher - when prices for bulk of sales are measurably higher than in previous period reported on.

Strong - when there is a definite but not measurable leaning toward an upward price change.

Steady - when prices have not changed from previous period.

Weak - when there is a definite but not measurable leaning toward lower change.

Lower - when prices for bulk of sales are measurably lower than in the previous trading period.

CLEARANCE indicates how well supplies are taken. Complete clearance means that all offerings have been sold. Incomplete clearance may be measured numerically in number of head, or in the proportion of the supply unsold at the close of trading.